

#### **Board Members**

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# Executive Director Peter V. Lee

## **NEWS RELEASE**

**FOR IMMEDIATE RELEASE** Thursday, January 3, 2013

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### Covered California Approved as a State-Based Exchange

Designation a key milestone with affordable coverage set to begin in 2014

SACRAMENTO, Calif. – Officials from Covered California, the state's health benefit exchange, were pleased with the U.S. Department of Health and Human Services announcement this morning giving California conditional approval to establish a health care marketplace.

"This is another significant step in California's long but determined march toward better health at an affordable price," said Covered California's Board Chair Diana Dooley.

"California has been at the forefront of establishing a health benefits marketplace that will serve millions of Californians," said Peter V. Lee, Executive Director of Covered California. "The approval to operate a state-based exchange indicates that we're making good progress towards providing California residents with quality health benefits at a fair price."

The federal approval, conditional on Covered California continuing to meet its regulatory and start-up benchmarks, reflects the progress California has made in establishing the exchange and the confidence the federal government has in Covered California's ability to provide affordable, quality coverage to Californians in 2014.

California is making steady progress towards its October marketplace launch. Covered California has been actively working with interested private health care plans to offer quality health benefit products online for individuals and small businesses. Consumers can begin using the web portal on October 1, 2013 to select the health plan that best meets their needs and determine if they qualify for federal subsidies to offset the cost of their premiums. In addition, consumers can determine if they're eligible for other public insurance programs.

Recognizing that purchasing insurance is an important and sometimes complicated task, Covered California has been working to establish a network of community-based assisters and a call center to help consumers with questions to make enrollment easier. There are also plans to launch a marketing, outreach and education effort to increase awareness for individuals and businesses, with special attention to California's diverse populations.

(more)

To see today's announcement from the U.S. Department of Health and Human Services, please visit <a href="http://www.hhs.gov/news/press/2013pres/01/20130103a.html">http://www.hhs.gov/news/press/2013pres/01/20130103a.html</a>

#### **About Covered California**

California was the first state to create a health benefit exchange following the passage of federal health care reform. It is charged with creating a new insurance marketplace in which individuals and small businesses will be able to purchase competitively priced health plans using federal tax subsidies and credits in October 2013, with coverage starting in 2014.

Covered California is overseen by a five-member board appointed by the Governor and Legislature; the California Health and Human Services Secretary serves as an ex officio voting member and is its current Chair.

For more information on Covered California, please visit www.healthexchange.ca.gov.

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